

Levy, Daniel (USANYS)

From: Marc Stuart Goldberg [mgoldberg@msglegal.com]
Sent: Monday, July 09, 2007 6:38 PM
To: Levy, Daniel (USANYS)
Subject: Prima Check Cashing, Inc.

Dear Mr. Levy:

The undersigned represents Prima Check Cashing, Inc. ("Prima"). In response to your information requests of earlier today, allow me to advise you as follows.

Based upon current operations and projections, it is anticipated that at closing on the sale of Prima's eleven (and possibly twelve) store locations (seven locations are under contract; there is an oral understanding as to four; two have been closed and the sale or closure of another is under consideration), Prima will owe New York Commercial Bank, its senior secured lender, the approximate amount of \$2,860,000 (through combination of a term loan anticipated to be in the approximate amount of \$760,000 at closing and a line of credit anticipated to be in the approximate amount of \$2,100,000 at closing). MoneyGram Payment Systems, Inc ("MoneyGram"), Prima's junior secured lender, is owed \$6.8 million pursuant to stipulation entered in a Federal Court litigation (and in which a judgment in like amount has been consented to by Prima, its shareholders and guarantors).

Applications for six of the seven stores under contract have been submitted to the New York State Banking Department.

The contract pricing on the six locations for which applications have been filed are as follows:

Stores under contract to Eastchester Check Cashing, Inc.:	
48 Gramatan Ave, Mt. Vernon, NY	\$485,000
242 Fulton Avenue, Mt. Vernon, NY	\$177,000
723 Burke Avenue, Bronx, NY	\$210,000

\$872,000

Stores under contract to NY Community Financial, LLC:	
274 E. 198th Street, Bronx, NY	\$175,000
52-41 Van Dam Street, Queens, NY	\$425,000
1801 University Avenue, Bronx, NY	\$400,000

\$1,000,000

\$1,872,000

A seventh location (302 Lenox Avenue, New York, NY) is under contract. The application with the Banking Department on the Lenox location has not yet been filed, but should be filed shortly. The contract price on the Lenox location is \$500,000.

The four locations for which there is an oral understanding (and for which contracts are being drafted) are priced as follows:

94 East 161st Street, Bronx	\$774,000
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1740 First Ave., NY	\$1,025,000
544 East Fordham, Bronx	\$1,380,000
44 N. Saw Mill River Rd., Elmsford	\$421,000

\$3,600,000

Thus, the total of all locations under contract and for which there are oral understandings is \$5,972,000.

The one location still up in the air, JFK Airport, is likely not going to realize a material return, if any. I've been told that a maximum value to be placed on the JFK location is \$20,000.

Sincerely yours,
Marc Stuart Goldberg

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